

Welfare-to-Work Tax Credit

This credit is effective for individuals beginning work after January 1, 1998. This is for individuals who have received 18 consecutive months or more of TANF. For this credit, the employer can claim 35% of qualifying first-year wages and 50% of qualifying second-year wages, for each employment year, up to \$10,000 of wages paid.

These employees must work at least 400 hours or 180 days before the employer is eligible to claim the Welfare-to-Work Credit. The process and the forms are the same as they are for WOTC.

**For more information on the Work Opportunity Tax Credit or the Welfare-to-Work Tax Credit please call
NH Employment Security at 228-4079 OR information and forms are available on the Internet at:
www.irs.ustreas.gov**



For more information on OJT or other NH Employment Programs contact: your local NHEP Team collocated at NH Employment Security. For the office nearest you, see the back of this brochure.

NH Employment Security, the Dept. of Health & Human Services, Southern NH Services, and all NH WORKS One-Stop Partner Agencies are Equal Opportunity Employers and comply with the Americans with Disabilities Act. Auxiliary aids and services are available upon request of individuals with disabilities.

TDD Access: Relay NH 1-800-735-2964.

NHEP Teams are located in NH Employment Security Offices across the State:

BERLIN

151 Pleasant St., P.O. Box 159 Berlin, NH
03570-0159 Tel: 752-5500

CLAREMONT

Washington St., PO Box 180, Claremont, NH
03743-0180 Tel: 543-3111

CONCORD

10 West St., P.O. Box 1140 Concord, NH
03302-1140 Tel: 228-4100

CONWAY

518 White Mountain Highway, Conway, NH
03818-4205 Tel: 447-5924

KEENE

109 Key Rd., Keene, NH 03431-3926
Tel: 352-1904

LACONIA

426 Union Ave., Laconia, NH 03246-2894
Tel: 524-3960

LEBANON

85 Mechanic St., Lebanon, NH 03766-1506
Tel: 448-6340

LITTLETON

646 Union Street, Ste. 100, Littleton, NH
03561-5314 Tel: 444-2971

MANCHESTER

300 Hanover St., Manchester, NH 03104-
4957 Tel: 627-7841

NASHUA

6 Townsend W., Nashua, NH 03063-1217
Tel: 882-5177

PORTSMOUTH

2000 Lafayette Road, Portsmouth, NH 03801-
5673 Tel: 436-3702

SALEM

29 South Broadway, Salem, NH 03079-3026
Tel: 893-9185

SOMERSWORTH

243 Rte. 108, Somersworth, NH 03878-1512
Tel: 742-3600

On-The-Job Training for Employers through the NH Employment Program

We are pleased to introduce:

who has met the qualification
standards for On-the-Job Training.



**On-the-Job Training offers incentives
for employers to hire . . .**

NHEP 224
SR 99-23
R-10/2002

What is On-the-Job Training?

On-The-Job Training, or OJT, matches employers with qualified individuals who are eager to work, but need the specialized training only YOUR business can supply. YOU, the employer agree to provide On-the-Job Training to a NH Employment Program participant and the program reimburses you up to 50 percent of the trainee's starting wage for a maximum reimbursement of \$3,500. This opportunity is offered by the NH Employment Program (NHEP).

What is the NHEP?

The NH Employment Program (NHEP), under the federal Transitional Assistance for Needy Families (TANF) program, replaced the Aid to Families with Dependent Children (AFDC) Program. NHEP is administered by the Dept. of Health and Human Services (DHHS) in partnership with NH Employment Security (NHES) and Southern NH Services. Staff from the three agencies form an interagency group called, the NHEP Team. The NHEP Team is colocated at the NHES Office. The NHEP Team helps individuals prepare for and find employment by placing them in various activities and providing support services. One of these activities is On-The-Job Training (OJT).

OJT offers a financial incentive to employers to hire and train eligible NHEP participants. In addition, the NHEP Team provides case management support throughout the training program.

How does the program work?

- After a job interview, you agree to hire a NHEP participant at the normal starting wage and benefit package for the position.
- Once you've agreed to hire the NHEP participant, **but before he/ she actually begins working for you**, a training contract is developed with you.

- While the NHEP participant is in training, you submit monthly progress reports and invoices to receive reimbursements for training costs.
- You agree to retain the NHEP participant as a full-time employee when the training period is completed.

The NHEP Team will do most of the paperwork!

The NHEP participant has already received extensive pre-employment screening. This ensures work-ready applicants come to you. The NHEP Team will assist you with all the forms. You have minimal paperwork!

YOU design the training!

One of the advantages of OJT is, YOU, the employer, makes the training decisions. OJT is tailored to YOUR job description and the needs of YOUR company. The length of training (not to exceed 26 weeks) will depend on the complexity of the job and the skills and experience the individual brings to the position.

YOU save money!

NHEP OJT reimburses you monthly. Reimbursement is up to 50 percent of the trainee's starting wage for a maximum reimbursement amount of \$3,500.

Advantages to the participant:

- ☐ Obtain training and skills
- ☐ Establish daily working routine
- ☐ Build self esteem
- ☐ Paid employment
- ☐ Increased marketability
- ☐ Support Services--even after employment

Advantages to the employer:

- ☐ Better trained employee
- ☐ Subsidized wages

- ☐ Structured training outline
- ☐ Minimal paperwork
- ☐ Improved community relations
- ☐ Possible Apprenticeship Program conversion
- ☐ Take advantage of the WOTC or Welfare-to-Work Tax Credit after completion of OJT (if applicable)
-see below

What is the Work Opportunity Tax Credit? (WOTC)

The Work Opportunity Tax Credit (WOTC) is a cost-effective incentive for employers to hire members of certain groups who traditionally have had difficulty obtaining and holding jobs. One of the groups eligible are qualified IV-A, AFDC/TANF Recipients. The recipient must have received assistance for any 9 months during the 18-month period ending on the hiring date. A qualified Food Stamp Recipient may also be eligible for the credit. The WOTC Tax Credit becomes effective after the OJT is completed. The employer can claim 40% of all wages paid up to \$6,000 for employees working 400 hours or more or the employer can claim 25% of all wages paid if the employee works for the minimum of 120 hours.

Maximum credit is \$2,400 per employee.

The employer must request Certification in writing for each employee at the same time they agree to hire the NHEP participant for a NHEP OJT and before the employee starts work.

Please Note: If the NHEP participant has received more than 18 consecutive months of TANF, then they are eligible to qualify for a Welfare-to-Work Tax Credit **instead**: see back cover for details.